

**MINUTES  
REGULAR MEETING  
UTILITY SERVICE BOARD  
SEPTEMBER 20, 2010**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Monday, September 20, 2010.

The meeting was called to order by Chairman Wayne Schuetter.

**UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:**

Wayne Schuetter – Chairman  
Rick Stradtner – Vice Chairman  
Mike Harder – Secretary  
Doug Schulte – Water Commissioner  
Alex Emmons – Wastewater Commissioner  
Greg A. Krodel – Gas Commissioner

**ALSO PRESENT:**

Jerry Schitter – Electric Distribution Manager  
Windell Toby – Electric Generation Manager  
Michael A. Oeding – Gas & Water Manager  
Ed Hollinden – Wastewater Manager  
Bud Hauersperger – General Manager  
Sandy Hemmerlein – City Attorney

**ABSENT:**

Ken Sendelweck – Electric Commissioner

**PLEDGE OF ALLEGIANCE** (DVD-00:56)

Chairman Wayne Schuetter led the Pledge of Allegiance.

**QUOTE OPENING: BRUSH CHIPPER – ELEC. DISTRIBUTION** (DVD-1:16)

Jerry Schitter stated that he asked for three quotes, but only two were received. Sandy Hemmerlein opened the quotes and read them aloud as follows:

1.	Vermeer of Indiana	\$38,536.00	
	Newburgh, IN	<u>- 5,000.00</u>	trade-in
		\$33,536.00	

The quote included a non-collusion affidavit.

2.	Southeastern Equipment Company	\$38,292.10	
	Evansville, IN	<u>- 8,500.00</u>	trade-in
		\$29,792.10	

The quote included a non-collusion affidavit.

Jerry Schitter asked to take the quotes under advisement and report back at the next meeting.

Alex Emmons made a motion to have Schitter take the quotes under advisement and report back at the next meeting. Rick Stradtner seconded the motion. Motion approved, 6-0.

### **QUOTE OPENING: SLUDGE UTILIZATION STUDY – WATER** (DVD-3:29)

Sandy Hemmerlein opened the quotes and read them aloud as follows:

1.	August Mack	\$ 9,000.00	Phase I
	Indianapolis, IN	\$ 7,000.00	Phase II
		\$ 3,500.00	Phase III
		<u>\$ 4,000.00</u>	Phase IV
		\$23,500.00	Total

The quote included a non-collusion affidavit.

2.	Midwestern Engineers	Only included a Statement of Qualifications;
	Loogootee, IN	no quote/proposal was in the envelope

The Statement of Qualifications included a non-collusion affidavit.

3.	Commonwealth Engineers	Billed by hourly rate with a not to exceed
	Indianapolis, IN	price of \$82,400.00

Bud Hauersperger stated he received a letter from VS Engineering and said they declined to send a quote.

Mike Oeding said he would like to take the quotes under advisement and discuss them at a Water Committee meeting and bring back a recommendation to the next Utility Service Board meeting.

Doug Schulte made a motion to take the quotes under advisement and discuss them at a Water Committee meeting to be held in the next month. Mike Harder seconded the motion. Motion approved, 6-0.

### **QUOTE OPENING: DUMP TRUCK – WASTEWATER** (DVD-8:55)

Sandy Hemmerlein opened the quotes and read them aloud as follows:

1.	Bob Luegers Motors	\$41,025.00	
	Jasper, IN	<u>-13,400.00</u>	trade-in
		\$27,625.00	

The quote included a non-collusion affidavit.

2.	Uebelhor & Sons	\$31,193.00	
	Jasper, IN	<u>- 6,500.00</u>	trade-in
		\$24,693.00	

The quote included a non-collusion affidavit.

3.	Ruxer Ford	Primary	\$30,259.00	
	Jasper, IN		<u>- 5,000.00</u>	trade-in
			\$25,259.00	
		Alternate	\$31,242.00	
			<u>- 5,000.00</u>	trade-in
			\$26,242.00	

Both quotes included non-collusion affidavits.

Ed Hollinden asked permission to take the quotes under advisement. Alex Emmons made a motion to have Hollinden take the quotes under advisement and report back at the next meeting. Rick Stradtner seconded the motion. Motion approved, 6-0.

### **BID OPENING: RELINING PROJECT – WASTEWATER** (DVD-12:41)

Sandy Hemmerlein opened the bids and read them aloud as follows:

1.	Insituform Technologies USA, Inc.	\$88,855.00
	Chesterfield, MO	no alternate bid

The bid included a Form 96 and non-collusion affidavit.

2.	Miller Pipeline Corporation	\$99,319.00	
	Indianapolis, IN	\$91,353.00	alternate bid

The bids included a Form 96, non-collusion affidavit, and bid bond.

3.	Reynolds Inliner, LLC	\$104,907.00
	Hilliard, OH	no alternate bid

The bid included a Form 96, non-collusion affidavit, and bid bond.

Ed Hollinden asked to take the bids under advisement. Greg Krodel made a motion to have Hollinden take the bids under advisement and report back at the next meeting. Mike Harder seconded the motion. Motion approved, 6-0.

### **APPROVAL OF MINUTES** (DVD-19:04)

Chairman Wayne Schuetter presented the minutes of the August 16, 2010, Regular Meeting and there being no corrections or amendments, asked for a motion to approve. Rick Stradtner made a motion to approve the minutes of the August meeting as presented. Doug Schulte seconded the motion. Motion approved, 6-0.

Chairman Schuetter then presented the Memorandums for the Joint Executive Sessions held on August 24<sup>th</sup> and September 13, 2010, and there being no corrections or amendments, asked for a motion to approve. Alex Emmons made a motion to approve the Memorandums as presented. Doug Schulte seconded the motion. Motion approved, 6-0.

#### **EDA GRANT AWARDED FOR BEAVER LAKE DAM PROJECT** (DVD-20:10)

Lisa Gehlhausen came before the Board to congratulate the City on being awarded a grant from the Economic Development Administration (EDA) for the Beaver Lake Dam project in the amount of \$2,228,640.

Gehlhausen said a start-up meeting for the project will be held on Wednesday, September 22<sup>nd</sup> from 1:00 to 3:30PM in the Mayor's conference room with the engineer from EDA to go over the requirements for the grant.

Sandy Hemmerlein also pointed out that the official grant award documents were signed by the Mayor and returned to EDA.

#### **OCRA GRANT APPLICATION FOR BEAVER LAKE DAM PROJECT** (DVD-22:12)

Gehlhausen said the City will be applying for another grant, in addition to the grant from the EDA, for the Beaver Lake Dam project through the Indiana Office of Community and Rural Affairs (OCRA) for an amount of \$760,360. The Mayor will be approving the submission and signing the grant application documents at the Common Council meeting on Wednesday night.

If the OCRA grant is also awarded to the City, the City's share in the cost of this project will be \$315,000. Gehlhausen is estimating the grant to be awarded within 60 days of submission.

Alex Emmons thanked Gehlhausen and Baron Hill's office for all of their hard work and help with the grant process.

#### **NORTHSIDE WASTEWATER PROJECT GRANT APPLICATION** (DVD-24:38)

Gehlhausen said she has also submitted an OCRA grant application for Disaster Recovery II funds for the Northside Wastewater project for an amount of \$650,000. If the City is awarded this grant, the City's share in the cost of this project will be \$136,365. This grant will be awarded on Friday, September 24<sup>th</sup>, via OCRA's website at [www.ocra.in.gov](http://www.ocra.in.gov). This is a very competitive process with over 100 applications received and there are only 30 grants to be awarded.

It was also decided to apply for the OCRA Community Focus funds grant for this same project, if the City does not receive any Disaster Recovery II funds. The maximum the City can apply for from this program is \$600,000. That would increase the cost share from the City to \$186,365.

This application is due on October 22<sup>nd</sup>. The City is required to hold a public hearing prior to submitting the grant application. If it is needed, the public hearing would be held prior to the Common Council meeting on October 20<sup>th</sup>.

**JOINT EXECUTIVE SESSION TO BE HELD ON SEPT. 23<sup>RD</sup>** (DVD-28:09)

Windell Toby reminded the Board that they would like to hold another joint Executive Session between the Utility Service Board and Common Council on Thursday, September 23<sup>rd</sup> at 7:30 AM in the Pfaffenweiler Room at City Hall to continue evaluating the proposals and interviews that were received on September 13<sup>th</sup>.

Alex Emmons made a motion to set the joint Executive Session for September 23<sup>rd</sup> at 7:30 AM. Mike Harder seconded the motion. Motion approved, 6-0.

**ELECTRIC PLANNING COMMITTEE REPORT** (DVD-29:48)

Bud Hauersperger, General Manager of Utilities, stated the committee did not meet during the past month.

**SURPLUS METER LID SALES TO WASHINGTON WATER UTILITY** (DVD-29:54)

Mike Oeding informed the Board that the Washington Water Utility bought 634 of the surplus meter lids for \$5 each for a total of \$3,170. Oeding said they would have received less than \$600 in scrap metal prices if the lids would have been scrapped.

**RESULTS FROM QUOTE OPENING FOR TWO SERVICE TRUCKS** (DVD-30:14)

Oeding said the low quote last month from Ruxer Ford met the specifications and the two trucks have been ordered.

**NOTICE FROM APGA** (DVD-30:28)

Oeding stated that they received a notice last week from the American Public Gas Association (APGA) that the Dodd-Frank Act was passed by Congress. It deals with futures trading and contracts with our gas suppliers. The Act is scheduled to go into effect on July 12, 2011.

The final rules of the Act have not been written yet. Currently there is an exemption from the Act for Local Distribution Companies (LDC's), of which the City is an LDC. However, this is subject to change before the effective date of 7/12/11. Oeding said there is a provision in the bill that you can opt-out for a period of one year, to give yourself an extension until 7/12/12, if you file a petition.

Since the rules have not been finalized yet, Oeding sent a petition for a one year extension, in case the rules change and the City is not considered exempt from the Act. The petition had to be filed by Friday, September 17, 2010.

Greg Krodel made a motion to ratify the petition, filed on behalf of the City, to obtain an extension from the Dodd-Frank Act until 7/12/12, if not exempt from the Act. Rick Stradtner seconded the motion. Motion approved, 6-0.

### **GAS PLANNING COMMITTEE REPORT** (DVD-34:17)

Greg Krodel, Chairman of the Gas Planning Committee, stated the committee did not meet during the past month.

### **WATER PLANNING COMMITTEE REPORT** (DVD-34:23)

Doug Schulte, Chairman of the Water Planning Committee, stated the committee did not meet during the past month.

### **WASTEWATER PLANNING COMMITTEE REPORT** (DVD-34:33)

Alex Emmons, Chairman of the Wastewater Committee, stated the committee met on September 15<sup>th</sup> to review the rate study that was done by H J Umbaugh and Associates. The last rate study was done in 2007 with a rate increase phased in over the last two years.

According to Umbaugh, the City's rates compare favorably to other rates in the area. Umbaugh suggested a rate increase of 2.31% for "inside City" customers and 2.33% for "outside City" customers, due to a slight shortfall in revenue needed. Upon discussion with the Committee, Hollinden felt he could work around the shortfall in revenue, and could forgo the rate increase.

Umbaugh also suggested a 1.7% decrease in the Debt Service surcharge that the Committee felt would need to be done. Sandy Hemmerlein explained that this surcharge only applies to customers in the 2001 Sewer Extension project, in the Whoderville and Southwest sections of the service area. As more customers are added in these areas, the debt service surcharge should go down. Four new customers were added in these areas. There is a 20-year bond to pay for this extension, of which the City is approximately half way through. Hemmerlein suggests following through with the reduction in this debt service surcharge.

Hemmerlein then presented Resolution #USB 2010-14, recommending the reduction in the debt service surcharge associated with the 2001 Sewer Extension Project to the Common Council. Hemmerlein said a public hearing will also need to be held next month, even though it is a reduction in charges. Any change in rates needs to have a public hearing.

Rick Stradtner made a motion to approve Resolution #USB 2010-14, recommending the debt service surcharge reduction to the Common Council. Doug Schulte seconded the motion. Motion approved, 6-0.

### **RESOLUTION RECOMMENDING SALARIES & WAGES FOR 2011** (DVD-43:46)

Bud Hauersperger presented Resolution #USB 2010-15, recommending salaries and wages for utility employees for the year 2011 to the Common Council. Hauersperger said it was recommended by the Common Council that there be a \$10 per week increase for salaried full time positions, a \$.25 per hour increase for hourly full time positions, and no increase for permanent or temporary part time employees.

Mike Harder made a motion approving Resolution #USB 2010-15, recommending salaries and wages for utility employees for the year 2011 to the Common Council. Rick Stradtner seconded the motion. Motion approved, 6-0.

**FINANCE COMMITTEE REPORT & PRESENTATION OF CLAIM DOCKET** (DVD-48:37)

Mike Harder reported the Finance Committee had met and reviewed the claims on the Claim Docket.

The Finance Committee recommended approval of the claims as presented.

Doug Schulte made a motion to approve the claims as presented. Rick Stradtner seconded the motion. Motion approved, 6-0.

There being no further business to come before the Board, the meeting was adjourned at 7:50 PM. Motion approved, 6-0.

The minutes were hereby approved \_\_\_\_\_ with \_\_\_\_\_ without corrections this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

Attest: \_\_\_\_\_  
Secretary

\_\_\_\_\_ Chairman